# Creating Shared Value: The New Face of Corporate Social Responsibility

## Introduction

Corporate Social Responsibility (CSR) has long been perceived as a way for companies to "give back" to society. A charitable act, often disconnected from their core business. However, in recent years, a more integrated and sustainable approach has gained ground: *Creating Shared Value* (CSV). Unlike traditional CSR, which can sometimes be peripheral or symbolic, CSV reimagines the relationship between business and society. It aligns profit with purpose, ensuring that value created for the community also strengthens the company's long-term success. This blog explores how Creating Shared Value is redefining CSR and building a more inclusive, sustainable future.

Coined by Michael Porter and Mark Kramer, the concept of Creating Shared Value refers to policies and practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities where it operates. Rather than treating societal issues as a cost or obligation, CSV sees them as opportunities for innovation and growth.

## What is Creating Shared Value?

Unlike philanthropy or compliance-driven CSR, shared value is created when companies:

- Reconceive products and markets to meet social needs
- Redefine productivity in the value chain
- Enable local development through ecosystem building

This approach integrates social progress into the heart of business strategy.

## Why Shared Value Matters More Than Ever

1. **A Shift from Obligation to Opportunity**

- CSR has often been seen as a reactive measure to meet regulatory requirements or manage public relations. CSV reframes this entirely. It's not about compliance, but about identifying mutual gains. By addressing issues like health, sustainability, and inequality, companies can unlock new markets and drive innovation.
- For instance, several companies in India are now investing in upskilling rural youth, not just for charity but to build a future-ready workforce.

2. **Business Growth Through Social Impact**

- Social challenges like environmental degradation, lack of education, and poor healthcare aren't just societal problems, they're business risks. CSV turns these into business drivers. For example, by promoting energy efficiency or waste management solutions in underserved areas, companies are generating revenue while reducing environmental impact.
- This approach leads to sustainable models of growth that are embedded in the communities they serve.

3. **Building Trust and Long-Term Resilience**

- Today's consumers, employees, and investors expect companies to play an active role in societal development. Shared value creates a foundation of trust by demonstrating authentic

commitment to social progress. This not only enhances brand loyalty but also boosts employee morale and investor confidence.

- Especially post-pandemic, resilience is no longer just about finances, it's about being relevant and reliable in the communities a business touches.

4. **Driving Systemic Change, Not Just Charity**

- Traditional CSR often results in one-time donations or standalone projects. Shared value initiatives go deeper; they address the root causes of social issues through systemic solutions. Whether it's improving supply chain transparency or fostering local entrepreneurship, these interventions have a ripple effect across society.

## Real-World Examples of Shared Value in Action

- **Hindustan Unilever's Project Shakti** empowers rural women as micro-entrepreneurs to distribute its products, enabling livelihood generation while expanding its market reach.
- **ITC's e-Choupal** platform provides farmers with digital tools, market access, and knowledge to enhance productivity. This has not only improved farmer income but also strengthened ITC's agri-business operations.
- **Tata Power's Club Enerji** educates school children on energy conservation, combining grassroots awareness with brand engagement and long-term societal benefits.

These initiatives reflect how strategic investments in people and communities can yield measurable returns for businesses.

## Best Practices for Implementing Shared Value

For companies looking to adopt a shared value model, the transition requires thoughtful planning and integration. Key practices include:

- **Aligning Business Objectives with Social Goals**
  Every shared value initiative must tie back to a core business priority. This ensures internal buy-in and long-term sustainability.
- **Collaborating with Stakeholders**
  Success depends on partnerships, with governments, NGOs, and local communities. Collaborative design and implementation build trust and ensure relevance.
- **Investing in Impact Measurement**
  Quantifying social and business outcomes is essential. Companies must move beyond output metrics and measure actual change, whether in income levels, education, or health.
- **Adopting a Long-Term Mindset**
  Shared value is not a quick fix. It requires a commitment to sustained engagement and long-term thinking. Impact is cumulative and builds over time.

## Spherule Foundation's Approach to Shared Value

At the Spherule Foundation, we actively work with corporate partners to ensure their CSR efforts are not just impactful but integrated into their larger purpose. By focusing on skill development, health, education, gender equality, and livelihood generation, we help companies develop initiatives that create real, measurable value for both communities and businesses.

Through partnerships with organizations such as Neutrino Tech Systems, we run livelihood programs like beauty parlour training for women. These not only equip participants with market-ready skills but also address talent gaps in the local economy. Similarly, our work on menstrual health and sanitation directly aligns with business interests in healthcare, consumer awareness, and social innovation.

Our goal is not charity, but change. We design every initiative to empower individuals, uplift communities, and support sustainable development, while giving our partners measurable, long-term outcomes that align with their business objectives.

## Conclusion

Creating Shared Value is not a rebranding of CSR, it's a fundamental rethinking of how business interacts with society. By aligning company success with community well-being, businesses can create solutions that are not only profitable but also inclusive and transformative.

As we move into a future where the lines between corporate and social impact are increasingly blurred, CSV represents a powerful path forward. It's a call to build strategies that are not about choosing between profit and purpose, but about pursuing both, together.

For NGOs, corporates, and communities alike, this is an opportunity to collaborate for social good and shared progress.